

6.11. COMPANY'S ACTIVITIES IN THE FIELD OF ENVIRONMENT, SOCIAL AND CORPORATE GOVERNANCE

Transneft understands the importance of consistent work and improvement of information disclosure in the field of sustainable development.

In order to reduce the risks for the Company's activities in the field of environment, social and corporate governance, the Company's management is actively working to develop and improve existing practices in the field of sustainable development and to enhance information disclosure in the following areas:

- corporate governance improvement;
- energy saving;
- environmental impact reduction.

The main contribution to reducing the risks of negative climate change and minimising environmental pollution in the medium term, however, is made in the following areas:

- decreasing the specific electricity consumption from oil and petroleum products pumping by at least 0.5% per year in 2021-2026 as a result of energy saving measures,
- reducing the negative impact of operational processes on the atmospheric air with the planned reduction of specific emissions by 0.7% in 2021 as a result of a set of technical measures,

- maintaining the standard level of wastewater treatment through the implementation of a complex of water protection measures aimed at ensuring the technical condition of treatment plants in full compliance with requirements of environmental legislation.

As part of ESG work, the Company in 2020:

- completed activities that allowed to completely eliminate the discharge of contaminated wastewater at the facilities;
- provided technical assistance to third-party organisations in the recovery works associated with petroleum products spill in the Ambarnaya River in Krasnoyarsk Territory (Norilsk), as well as in the derailment of a train carrying petroleum products in Vladimir Region;
- continued dialogue with representatives of the investment community on sustainable development issues;
- published presentation materials on sustainable development as part of a presentation for investors on the Company's website.

The Company plans to provide extended information to ESG agencies considering Russia's current regulation on disclosure of non-financial indicators against the backdrop of growing regulatory attention to disclosure of information on sustainable development issues.

There are plans to outline the Company's stance and disclose a list of existing measures and plans that contribute to combating climate change, as well as to further improve disclosure of information on sustainable development.

The Company plans to inform the investment community and interested users in detail on the results of its work in the field of sustainable development, and to analyse the proposals received following the discussion of these issues with representatives of the investment community and stakeholders.

In the field of corporate governance, it is planned to conduct an external assessment of the activities of the Board of Directors for the 2021/22 corporate year.